

Minutes

Seattle City Employees' Retirement System Regular Board Meeting

Thursday, May 18, 2006 - 9:00 a.m.
Pacific Building, 10th Floor

Present: Dwight Dively, Norma McKinney, Lou Walter, Paul Berry and Mary Norris.

Absent: Richard McIver and Frank Mathews.

Dwight Dively served as Chair in the absence of Richard McIver.

Also Present: Ken Leask – ARSCE, Walt North – ARSCE, Gwen Jensen – ARSCE, Mike Monaco – Song Mondress, Norm Ruggles and Mel Robertson.

Public Comment: Walt North thanked the Board for all their hard work in achieving an estimated 91% funded ratio.

Minutes:

Upon motion by Paul Berry, seconded by Norma McKinney, the Retirement Board approved the minutes from the April 6, 2006 Retirement Board meeting.

Ratification of Retired Payroll, Office Payroll, Other Payments and Withdrawals:

Information: The following items represent normal expenses and nothing extraordinary.

Service	\$ 5,992,773.79
Beneficiary	668,363.60
Disability	61,454.32

Pension Payroll – May 2006 \$ 6,722,591.71

Office Payroll - pay period ending March 21, 2006 \$ 25,806.88

Office Payroll - pay period ending April 4, 2006 \$ 25,277.35

Office Payroll - pay period ending April 18, 2006 \$ 24,639.60

Office Payroll - pay period ending May 2, 2006 \$ 25,888.64

Vouchers Processed - from March 29, 2006 through May 10, 2006 \$ 129,567.62

* \$ 34,980.25 Expert and Consultant Services

Immediate Withdrawal of Contributions:

<u>Member</u>	<u>Department</u>	<u>Position</u>
Abolafia, Steven	Library	Building Maintenance
Black, Debra A	Police	Dispatcher
Brewster, Amy Lee	Seattle Center	Stage Hand
Brooks, Angela Diane	HSD	Comm Dev Spec
Brown, Michael S	SPU	Management Systems Analyst
Cabiles, Rondelle Jayleen	Retirement	Retirement Specialist
Civile, Richard Frances	TES	Laborer
Collier, Tommie Lee	Light	Line Worker
Cromar, Lisa Marie	Police	Police Data Tech
Daniels, Sheila Marie	DHHS	Admin Spec I
Eiford, Gregory E	Parks	Grounds Keeper
Frankel, Andrew C	Seattle Center	Cultural Events Mgr
Garland, Jennifer C	SPU	Utility Rep

Hardee, Drucilla Alexis	DCLU	Housing/ Zoning Inspector
Harr, Julie Ann	Light	Data Proc Syst Mgr
Hershaw,Bonnie L	Law	Receptionist
Hickey, Aubyn A	Dual Member	Environmental Health Spec
Hodge,Andrew H	Park	Admin Spec I
Johnson,Hillary A	SEATRAN	Admin Spec II
Johnson,Mark J	Parks	Capital Proj Coordinator
Keeffe,Brian A	DPD	Noise Control Spec
Khammaloun,Jasmine T	Muni Court	Court Cashier
Moncion,Lindsey M	Parks	Park Aid
Ortega,Alexis N	SPU	Web Information
Ostler, Sarah B	Parks	Grants & Contracts Spec
Palinkas Jr,Paul J	Library	Library Assoc
Pickett,Sherry Lynn	SPU	Admin Spec II
Potter,James W	ESD	Licenses & Standards Inspector
Puffer,Tracey L	Neighborhood	Customer Service Rep
Shaw,Karla Joy Klett	Intergov't Relations	Admin Support Asst
Spiceland,Tristan M	Library	Library Associate II
Stearns,Jason C	Personnel	Mgmt System Analyst
Tran,Anne	Library	Library Assistant I
Weber, Jennifer R	Light	Power Analyst
Wilson,Karen Denise	Civil Rights	Civil Rights Analyst

Upon motion by Paul Berry, seconded by Norma McKinney, the Board ratified the Retired Payroll, Office Payroll, other Payments and Withdrawals.

Ratification of Service Retirements:

Information: The following list represents the retirements that have been processed since the last Retirement Board meeting.

<u>Member</u>	<u>Retired</u>	<u>Years</u>	<u>Days</u>	<u>Department</u>	<u>Position</u>	<u>Age</u>	<u>Option</u>
Alger,Sharon L Kirkpatrick	4/1/2006	27	31	Parks	Maint Laborer	55	E,F
Anderson, Frank William	4/1/2006	7	85	DCLU	Admin Spec I	66	E
Bern,Dawn Eulalie	4/5/2006	13	192	DCLU	Land Use Planner III	60	S
Bowerman,Wendell	4/4/2006	13	353	DCLU	Executive 2	61	C5
Corpuz,Connie L	4/8/2006	15	314	Vested	Vested	57	C10,G-50
Davis,James P	4/5/2006	32	98	SPU	Const&Maint Equip Op, Sr	58	C10,G-100
Farnham,Janice M	3/9/2006	16	19	Vested	Vested	63	S,G-100
Futtrup,Catherine R	4/5/2006	25	234	City Light	Mgmt & Sys Analyst, Sr	55	D
Garcia,Richard M	3/24/2006	19	117	SPU	Const&Maint Equip Op, Sr	61	S,F
Jeffcott, Ellen Day	3/11/2006	21	217	K.C. Health	Health Services	60	B
Kennell,James K	3/17/2006	20	207	SPU	Survey Party Chief Asst	85	E
Klockars,Mary M	4/8/2006	28	106	Law	Asst City Attorney	65	D
Martin,Ann M	4/1/2006	7	46	Dual Member	Vested	56	E
Massingale,Ray B	4/5/2006	17	18	City Light	Right of Way Maint Wkr	62	E
Nelson,Stuart D	3/22/2006	36	3	SEATRAN	Manager 3	55	C5
Ortiz,Joseph A	4/5/2006	15	9	SPU	Info Tech Prof	67	S
Pananen,Lauren W	4/1/2006	14	262	Vested	Vested	65	E
Richards,Deanna	3/23/2006	7	230	SPU	Truck Driver	66	C10,G-100
Tumbleson,Harla F	3/10/2006	22	65	Human Services	Plng & Dev Spec Sr	58	E
Valdez,Irene P	4/5/2006	30	167	City Light	Actg Tech II	65	B
Varness,Carl J	4/5/2006	33	291	DEA	Animal Control Officer	62	E,F
Yamada,Rose K	4/5/2006	11	175	City Light	Electrical Workload Super	60	S
Yee,James Elizabeth	4/4/2006	20	197	Library	Librarian	70	E

Upon motion by Paul Berry, seconded by Mary Norris, the Retirement Board approved the service retirements listed above, pending final review.

Last month 65 new members entered the System, 24 retired and 34 others terminated City employment.

Ratification of Investment Transactions and Statement of Securities and Cash:

Norm reviewed the funding ratio along with monthly and year-to-date performance numbers on the Investment Summary report for March 2006. Mel highlighted items in the Investment Summary report and commented on likely investment results in April.

Upon motion by Lou Walter, seconded by Paul Berry, the Retirement Board approved the Investment Summary report.

Investment Committee Report:

The Investment Committee is scheduled to meet at 10 a.m. on Thursday, May 25, 2006 in the Retirement Office. The Investment Committee and Advisory Committee are scheduled to meet at noon on Thursday, May 25, 2006 in the Retirement Office.

Mel reported on the Investment Committee meeting held April 20, 2006. The Committee heard a presentation by TA Associates Realty who are raising capital for Fund VIII, and the Committee is recommending the Board approve a \$30 million investment. We have successfully invested with this firm in the past. When necessary for rebalancing the real estate allocation, funds will be withdrawn from the JP Morgan core funds. The Committee also heard a presentation by Magna Highlight Offshore Fund, a long / short equity hedge fund, and is recommending the Board approve a \$3 million investment.

Upon motion by Paul Berry, seconded by Mary Norris, the Retirement Board voted unanimously to accept the Investment Committee recommendation to invest \$30 million in the TA Associates Realty Fund VIII and \$3 million in the Magna Highlight Offshore Fund.

Executive Director Report:

Norm reminded the Board to plan for a longer than usual meeting on June 1, 2006, when there will be presentations by the auditors and the actuary, and a hearing.

Norm mentioned that Norma McKinney and Paul Berry will soon be leaving the Board, and the June 1 Board meeting will be their last. Norm also said how valuable he felt they have been to the Board, and that they will be missed.

Norm invited Board participation in the actuarial services search process. Paul and Mary offered to assist.

Norm explained that the four employees of the Firefighters Pension office are interested in joining the System, however, they are not currently City employees. He mentioned some other issues and alerted the Board that this topic may come before them for consideration.

Old Business:

(1) Status of Benefit Enhancements

The Board was informed that the estimated current funding level of the Retirement Fund is 91.02% as of March 31, 2006.

New Business:

(1) 2007 – 2008 Budget Submittal

Mel presented the draft budget submittal to the Board and reviewed the major items. There was a discussion and the Board expressed their support.

Upon motion by Paul Berry, seconded by Mary Norris, the Retirement Board voted unanimously to approve the 2007 – 2008 Budget Submittal.

(2) Disability Retirement Application for Laurie Depew

Mel reported that the Disability Committee recommends the Board approve the application for Laurie Depew.

Upon motion by Paul Berry, seconded by Lou Walter, the Retirement Board voted unanimously to approve the disability retirement application for Laurie Depew based on the medical report of the independent panel of physicians, related materials, and the recommendation of the Disability Committee.

(3) Disability Retirement Application for Michael G. Anderson

Mel reported that the Disability Committee recommends the Board deny the application for Michael G. Anderson.

Upon motion by Paul Berry, seconded by Lou Walter, the Retirement Board voted unanimously to deny the disability retirement application for Michael G. Anderson based on the medical report of the independent panel of physicians, related materials, and the recommendation of the Disability Committee.

Norma McKinney assumed the position of Chair when Dwight Dively left the meeting for another engagement.

(4) Performance Evaluation of Executive Director

Norma McKinney told that Board that she had gathered comments and input from other Board members, and stated that they felt Norm has done a “very, very good job”. She gave the recommendation of the Performance Evaluation Committee to award Norm Merit Leave and a raise in pay, effective January 1, 2006. She also said a salary survey shows his salary has fallen below his peers.

Upon motion by Norma McKinney, seconded by Paul Berry, the Retirement Board voted unanimously to grant the Executive Director six days of Merit Leave and a pay raise of 6%, effective January 1, 2006.

(5) Other

Paul Berry commented about how valuable that he felt the education he received at the NCPERS Conference was. He delivered the materials that he received at the conference, so that other Board members and the System may benefit from them.

Adjournment

Upon motion by Lou Walter, seconded by Paul Berry, the Retirement Board voted to adjourn the meeting at 9:57 a.m.

Norma McKinney, Secretary